

### **REMARKS**

Claims 2-8, 15-20, and 28-32 are pending in this application. Claims 2-8, 15-20, and 28-32 have been rejected. In view of foregoing amendments and following remarks, Applicants respectfully request allowance of the Application.

#### **Summary of Examiner's Interview**

Applicants thank the Examiner for the telephone interview of April 1, 2010 between Examiner Elizabeth H. Rosen, and Applicant's representative Jialin Zhong (Reg. No. 62,937).

The following is a Statement of Substance of Interview for the telephone interview.

During the course of the interview, amendments to independent claim 29 are proposed and discussed in view of the outstanding § 103 rejections. The Examiner and Applicants reached an agreement that the proposed amendments to claim 29 overcome the cited art and require further search by the Examiner.

#### **Claim Rejection Under 35 U.S.C. § 112, Second Paragraph**

Claims 3-4 and 31-32 were rejected under 35 U.S.C. § 112, second paragraph as indefinite.

In particular, the Examiner alleges that the element of "unsecured" as recited in claims 3-4 lacks antecedent basis. Claims 3-4 have been amended to remove the alleged element.

Further, the Examiner alleges that claims 31-32 include conditional language that leaves open possibilities. Although the rejection may not be agreed with, to facilitate the matter, claims 31-32 have been amended to provide for the following two scenarios of "when the receivable data record meets the criteria of the global declaration of purpose of the each portion of the new collateral agreement" and "when the receivable data record does not meet the criteria of the global declaration of purpose of the each portion of the new collateral agreement." Therefore, withdrawal of the § 112, second paragraph, rejection of claims 3-4 and 31-32 is respectfully requested.

#### **Claim Rejection Under 35 U.S.C. § 103 (a)**

Claims 2-8, 15-20, and 28-32 were rejected under 35 U.S.C. § 103(a) as unpatentable over U.S. Pat. No. 5,950,179 ("Buchanan") alone.

Independent claims 29-32 as amended provide, in part:

creating, by the computer system, a collateral agreement including a plurality of data records representing a plurality of portions of the collateral agreement, each portion having (1) a priority, (2) a global declaration of purpose identifying a criteria, and (3) a value associated with the each portion, the criteria specifying requirements to secure a receivable to the corresponding portion of the collateral agreement;

ordering, by the computer system, the plurality of portions into an ordered sequence in accordance to their priorities;

Claims 29-32 further provide for *when a receivable meets the criteria of a portion of the collateral agreement, recording a direct link in the computer system that directly identifies the receivable data record with a data record representing the portion of the collateral agreement.* Support for these amendments may be found, for example, in Fig. 3 and in line 27, page 5 to line 14, page 6 of the specification.

The cited Buchanan is merely concerned with transactions of a secured credit card that has been secured to a single saving account by a card agreement. As discussed in the Examiner's interview, Buchanan does not disclose a plurality of portions of the collateral agreement, each portion having (1) a priority, (2) a global declaration of purpose identifying a criteria, and (3) a value associated with the each portion or recording a direct link in the computer system that directly identifies the receivable data record with a data record representing the portion of the collateral agreement as recited in claims 29-32. Further, Buchanan does not disclose each portion having a priority and ordering, by the computer system, the plurality of portions into an ordered sequence in accordance to their priorities as recited in claims 29-32. Therefore, claims 29-32 and their corresponding dependent claims 2-8, 15-20, and 28 are not rendered unpatentable by Buchanan alone. Withdrawal of the obvious rejection of claims 2-8, 15-20, and 28-32 is respectfully requested.

**CONCLUSION**

All outstanding rejections have been overcome. It is respectfully submitted that, in view of the foregoing amendments and remarks, the application is in clear condition for allowance. Issuance of a Notice of Allowance is earnestly solicited.

Although not believed necessary, the Office is hereby authorized to charge any fees required under 37 C.F.R. § 1.16 or § 1.17 or credit any overpayments to Deposit Account No. 11-0600.

The Office is invited to contact the undersigned at 212-908-6380 to discuss any matter regarding this application.

Respectfully submitted,

Date: April 16, 2010

/Jialin Zhong/

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